

necessary to the production of a medical product by the taxpayer (including packaging).

“(e) RELATED PERSONS.—For purposes of this section, persons shall be treated as related to each other if such persons would be treated as a single employer under the regulations prescribed under section 52(b).

“(f) OTHER TERMS.—Terms used in this section which are also used in section 1400AA-1 shall have the same meaning as when used in such section.

“SEC. 1400AA-3. SPECIAL RULES TO SECURE THE NATIONAL SUPPLY CHAIN.

“(a) IN GENERAL.—In the case of a qualified repatriated pharmaceutical manufacturing facility, section 1400AA-1(a) shall be applied by substituting ‘60 percent’ for ‘40 percent’.

“(b) ELECTION TO EXPENSE IN LIEU OF TAX CREDIT FOR DEPRECIATION.—In the case of a taxpayer which elects (at such time and in such manner as the Secretary may provide) the application of this subsection with respect to any qualified repatriated medical product manufacturing facility or qualified population health product manufacturing facility—

“(1) section 1400AA-1(a)(3) shall not apply with respect to any qualified medical product manufacturing facility property with respect to such facility, and

“(2) for purposes of section 168(k)—

“(A) such property shall be treated as qualified property, and

“(B) the applicable percentage with respect to such property shall be 100 percent.

“(c) QUALIFIED REPATRIATED MEDICAL PRODUCT MANUFACTURING FACILITY.—For purposes of this section, the term ‘qualified repatriated medical product manufacturing facility’ means any qualified medical product manufacturing facility (as defined in section 1400AA-1) the production of which was moved to an economically distressed zone from a foreign country that the United States Trade Representative has determined could pose a risk to the national supply chain because of political or social factors.

“SEC. 1400AA-4. DESIGNATION OF ECONOMICALLY DISTRESSED ZONES.

“(a) IN GENERAL.—For purposes of this subchapter, the term ‘economically distressed zone’ means any population census tract within the United States which—

“(1) has a poverty rate of not less than 35 percent for each of the 5 most recent calendar years for which information is available, or

“(2) satisfies each of the following requirements:

“(A) The census tract has pervasive poverty, unemployment, low labor force participation, and general distress measured as a prolonged period of economic decline measured by real gross national product.

“(B) The census tract has a poverty rate of not less than 30 percent for each of the 5 most recent calendar years for which information is available.

“(C) The census tract has been designated as such by the Secretary and the Secretary of Commerce pursuant to an application under subsection (b).

“(b) APPLICATION FOR DESIGNATION.—

“(1) IN GENERAL.—An application for designation as an economically distressed zone may be filed by a State or local government in which the population census tract to which the application applies is located.

“(2) REQUIREMENTS.—Such application shall include a strategic plan for accomplishing the purposes of this subchapter, which—

“(A) describes the coordinated economic, human, community, and physical development plan and related activities proposed for the nominated area,

“(B) describes the process by which the affected community is a full partner in the process of developing and implementing the plan and the extent to which local institutions and organizations have contributed to the planning process,

“(C) identifies the amount of State, local, and private resources that will be available in the nominated area and the private/public partnerships to be used, which may include participation by, and cooperation with, universities, medical centers, and other private and public entities,

“(D) identifies the funding requested under any Federal program in support of the proposed economic, human, community, and physical development and related activities,

“(E) identifies baselines, methods, and benchmarks for measuring the success of carrying out the strategic plan, including the extent to which poor persons and families will be empowered to become economically self-sufficient, and

“(F) does not include any action to assist any establishment in relocating from one area outside the nominated area to the nominated area, except that assistance for the expansion of an existing business entity through the establishment of a new branch, affiliate, or subsidiary is permitted if—

“(i) the establishment of the new branch, affiliate, or subsidiary will not result in a decrease in employment in the area of original location or in any other area where the existing business entity conducts business operations,

“(ii) there is no reason to believe that the new branch, affiliate, or subsidiary is being established with the intention of closing down the operations of the existing business entity in the area of its original location or in any other area where the existing business entity conducts business operation, and

“(iii) includes such other information as may be required by the Secretary and the Secretary of Commerce.

“(c) PERIOD FOR WHICH DESIGNATIONS ARE IN EFFECT.—Designation as an economically distressed zone may be made at any time during the 10-year period beginning on the date of the enactment of this section, and shall remain in effect with respect to such zone during the 15-year period beginning on the date of such designation. Economically distressed zones described in subsection (a)(1) shall take effect on the date of the enactment of this Act and shall remain in effect during the 15-year period beginning on such date.

“(d) TERRITORIES AND POSSESSIONS.—The term ‘United States’ includes the 50 States, the District of Columbia, and the territories and possessions of the United States.

“(e) REGULATIONS.—The Secretary shall issue such regulations or other guidance as may be necessary or appropriate to carry out the purposes of this section, including—

“(1) not later than 30 days after the date of the enactment of this section, a list of the population census tracts described in subsection (a)(1), and

“(2) not later than 60 days after the date of the enactment of this section, regulations or other guidance regarding the designation of population census tracts described in subsection (a)(2).”.

(b) CLERICAL AMENDMENT.—The table of subchapters for chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

“SUBCHAPTER AA—MEDICAL PRODUCT MANUFACTURING IN ECONOMICALLY DISTRESSED ZONES”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2020.

SA 1297. Mr. RUBIO submitted an amendment intended to be proposed to amendment SA 891 proposed by Mr. SCHUMER (for himself, Mr. WYDEN, Mrs. MURRAY, Mr. BROWN, Mr. PETERS, Mr. CARDIN, Ms. CANTWELL, Ms. STABENOW, Mr. TESTER, Mr. MENENDEZ, Mr. SCHATZ, Mr. CARPER, Mr. LEAHY, and Mr. SANDERS) to the bill H.R. 1319, to provide for reconciliation pursuant to title II of S.Con.Res. 5; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

In section 4001(a), strike “\$570,000,000” and insert “\$370,000,000”.

At the end of title IV, add the following:

SEC. 4015. REIMBURSEMENT OF INTEREST PAYMENTS RELATED TO PUBLIC ASSISTANCE.

(a) IN GENERAL.—Title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170 et seq.) is amended by adding at the end the following:

“SEC. 431. REIMBURSEMENT OF INTEREST PAYMENTS RELATED TO PUBLIC ASSISTANCE.

“(a) IN GENERAL.—The President, acting through the Administrator of the Federal Emergency Management Agency, may provide financial assistance at the applicable Federal share to State or local governments or owners or operators of private nonprofit facilities as reimbursement for qualifying interest.

“(b) DEFINITIONS.—In this section, the following definitions apply:

“(1) QUALIFYING INTEREST.—The term ‘qualifying interest’ means, with respect to a qualifying loan, the lesser of—

“(A) the actual interest paid to a lender for such qualifying loan; and

“(B) the interest that would have been paid to a lender if such qualifying loan had an interest rate equal to the prime rate most recently published on the Federal Reserve Statistical Release on selected interest rates.

“(2) QUALIFYING LOAN.—The term ‘qualifying loan’ means a loan—

“(A) obtained by a State or local government or an owner or operator of a private nonprofit facility; and

“(B) of which not less than 90 percent of the proceeds are used to fund activities for which such State or local government or owner or operator receives assistance under this Act after the date on which such loan is disbursed.”.

(b) RULE OF APPLICABILITY.—Any qualifying interest (as such term is defined in section 431 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as added by subsection (a)) incurred by a State or local government or owner or operator of a private nonprofit facility in the 5 years preceding the date of enactment of this Act shall be treated as eligible for financial assistance for purposes of such section 431.

SA 1298. Mr. BURR submitted an amendment intended to be proposed to amendment SA 891 proposed by Mr. SCHUMER (for himself, Mr. WYDEN, Mrs. MURRAY, Mr. BROWN, Mr. PETERS, Mr. CARDIN, Ms. CANTWELL, Ms. STABENOW, Mr. TESTER, Mr. MENENDEZ, Mr. SCHATZ, Mr. CARPER, Mr. LEAHY, and Mr. SANDERS) to the bill H.R. 1319, to provide for reconciliation pursuant to title II of S. Con. Res. 5; which was ordered to lie on the table; as follows:

On page 83 of the amendment, strike line 18 and all that follows through line 12 on page 86, and insert the following: “\$10,000,000,000, to remain available through September 30,